

Robert Ziprick, Chairman Stan Brauer, Vice Chairman Robert Christman, Board Member Floyd Petersen, Board Member Karen Hansberger, Board Member

CRA AGENDA:

December 14, 2004

TO:

Agency Board Members

VIA:

Dennis R. Halloway, Executive Director,

FROM:

Jack Segal, Community Advisors, Inc.

SUBJECT:

Public Hearing - CRA Bill #R-2004-19 - Five-Year Redevelopment

Housing Implementation Plan for the Project Area

RECOMMENDATION

It is recommended that the Agency Board adopt CRA Bill #R-2004-19 approving the Five Year Redevelopment Housing and Implementation Plan for 2005-2009.

BACKGROUND

Adoption of five-year Implementation Plans is one of the requirements of AB 1290 of the Community Redevelopment Law Reform Act of 1993, which took effect on January 1, 1994 as Health and Safety Code Section 33480. Implementation Plans are required to describe goals and objectives for redevelopment areas as well a specific programs, including potential projects and estimated expenditures to be made during the five years covered by the Plan. Implementation Plans are also required to include an explanation of how the goals and objectives, programs, potential projects and estimated expenditures would eliminate blight within the redevelopment areas, as well as implement certain Community Redevelopment Law requirements related to affordable housing.

ANALYSIS

Implementation Plans for 2005-2009, including housing tasks for the IVDA, are required to be adopted no later than December 31, 2004.

The Agency originally adopted an Implementation Plan in December 1994 and held a review of such Plan and programs on implementing its Redevelopment Plan in December 1997. In December 1999, the Agency approved the new Implementation Plan and held a review in December 2002.

The purpose of this public hearing is to meet the requirements of the law as it is applicable to redevelopment in the City of Loma Linda. The subject Implementation Plan, containing updated information, has been attached to this Memorandum.

It should be noted that the law acknowledges that annual funding decisions by the Board will determine the actual amount allocated to any particular program or project and that inclusion of an estimated amount in an Implementation Plan does not constitute approval of that amount.

The Implementation Plan describes how the Agency would fulfill the requirement to increase, improve and preserve low and moderate-income housing. The merged Project Area continues to have a deficit of

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affordable units and the Implementation Plan provides for measures to eliminate this deficit within the required program period. Housing set-aside funds are the principal financial resource to accomplish this task. Progress has been made on this requirement and is expected to continue in the next 5 to 10 years.

Also, note that the California Community Redevelopment Law has been amended to significantly impact redevelopment implementation requirements.

In 2001, SB 975 was enacted applying prevailing wages to an increasing number of affordable housing projects. In 2002, SB 972 allowed certain exemptions for privately owned affordable housing projects from prevailing wages.

AB 637 added a targeting requirement for the spending of Agency Housing Funds, which is based on proportions of needed very low and low income housing units as they relate to total affordable housing needs. This bill also requires agencies to limit housing funds spent on the population 65 years of age and older.

Legislation also increased the length of covenants to 45 years for owner occupied housing and 55 years for rental units.

SB 701 also states that project areas in existence on December 31, 1993 have a first "targeting" period, which will end December 31, 2014. This will allow the Agency to have additional time to meet its affordable housing obligations.

ENVIRONMENTAL

Not Applicable

FINANCIAL IMPACT

Adopted fiscal year budgets, including Capital Improvement Program.

Attachment: CRA Bill #R-2004-19

RESOLUTION NO.

A RESOLUTION OF THE LOMA LINDA REDEVELOPMENT AGENCY ADOPTING THE FIVE-YEAR REDEVELOPMENT HOUSING AND IMPLEMENTATION PLAN FOR THE LOMA LINDA REDEVELOPMENT PROJECT AREA

WHEREAS, the Loma Linda Redevelopment Agency (the "Agency") is a public body, corporate and politic formed, organized, existing and exercising its powers pursuant to the Community Redevelopment Law, California Health and Safety Code, Sections 33000 et seq. (the "CRL"); and

WHEREAS, the City Council of the City of Loma Linda, California (the "City Council") did duly pass and adopt Ordinance No. 226 on July 16, 1980 and did thereby approve the Redevelopment Plan for the Loma Linda Redevelopment Project No. 1 (the "Redevelopment Plan") and did thereby establish the Loma Linda Redevelopment Project No. 1 ("Project No. 1"); and

WHEREAS, the City Council did duly pass and adopt Ordinance No. 374 on May 12, 1987, and did thereby approve the Redevelopment Plan for the Loma Linda Redevelopment Project No. 2 (the "Redevelopment Plan") and did thereby establish the Loma Linda Redevelopment Project No. 2 ("Project No. 2"); and

WHEREAS, the City Council did duly pass and adopt Ordinance No. 508 on December 13, 1994, and did thereby approve an amendment to Project No. 1; and

WHEREAS, the City Council did duly pass and adopt Ordinance No. 591 on September 26, 2000 to merge Project Area 1 as amended and Project Area 2 to facilitate and coordinate the Redevelopment Agency's actions to reduce blight throughout both Project Areas; and

WHEREAS, the California Legislature by Assembly Bill 1290, Statutes 1993, Chapter 942 ("AB 1290"), amended the CRL, and particularly in relation to this Resolution, Section 33490 was added to the CRL, and the Legislature by Senate Bill 732, Statutes 1994, Chapter 936, as supplemental legislation to AB 1290, made minor modifications to Section 33490, which Section 33490 provides in part that every agency shall consider and adopt an implementation plan for each project area; and

WHEREAS, CRL Section 33490(a)(1)(A) provides in pertinent part as follows:

On or before December 31, 1994, and each five years thereafter, each agency that has adopted a redevelopment plan prior to December 31, 1993, shall adopt, after a public hearing, an implementation plan that shall contain the specific goals and objectives of the agency for the project area, the specific programs, including potential projects, and estimated expenditures proposed to be made during the next five years, and an explanation of how goals and objectives, programs and expenditures will eliminate blight within the project area and implement the requirements of Section 33334.2, 33334.4, 33334.6 and 33413. After adoption of the first implementation plan, the parts of the implementation plan that address Sections 33334.2, 33334.4, 33334.6 and 33413 shall be adopted every five years either in conjunction with the housing element cycle or the implementation plan cycle; and

WHEREAS, CRL Section 33490(d) provides as follows:

Notice of public hearings conducted pursuant to this section shall be published pursuant to Section 6063 of the Government Code, mailed at least three weeks in advance to all persons and agencies that have requested notice, and posted in at least four permanent places within the project area for a period of three weeks. Publication, mailing, and posting shall be completed not less than 10 days prior to the date set for hearing; and

WHEREAS, on December 14, 2004, the Agency conducted and concluded the abovereferenced duly noticed public hearing; and

WHEREAS, all legal prerequisites to the adoption of the Resolution have occurred;

NOW, THEREFORE, the Loma Linda Redevelopment Agency does hereby resolve as follows:

The Agency hereby specifically finds all of the facts stated in the Recitals Section 1. above to be true and correct.

Pursuant to Section 33490 of the Community Redevelopment Law, Section 2. California Health and Safety Code Sections 33000, et_seq., the Agency hereby adopts the document entitled the Redevelopment Implementation Plan 2005 to 2009, a true and correct copy of which is on file with the City Clerk of the City of Loma Linda and is incorporated herein by this reference as the Implementation Plan for Loma Linda Redevelopment Project.

The Secretary of the Agency shall certify to the adoption of this Section 3. Resolution.